
STATUTORY INSTRUMENTS

1994 No. 2810

NORTHERN IRELAND

**The Ports (Northern Ireland
Consequential Provisions) Order 1994**

Made - - - - 2nd November 1994

Coming into force in accordance with Article 1(2)

At the Court at Buckingham Palace, the 2nd day of November 1994

Present,

The Queen's Most Excellent Majesty in Council

Whereas a draft of this Order has been approved by a resolution of each House of Parliament:

Now, therefore, Her Majesty, in exercise of the powers conferred by section 38(2) of the Northern Ireland Constitution Act 1973(1) as extended by paragraph 1(7) of Schedule 1 to the Northern Ireland Act 1974(2), and of all other powers enabling Her in that behalf, is pleased, by and with the advice of Her Privy Council, to order, and it is hereby ordered, as follows:

Title, commencement and extent

1.—(1) This Order may be cited as the Ports (Northern Ireland Consequential Provisions) Order 1994.

(2) This Order shall come into force on the same day as the principal Order.

(3) This Order extends to the whole of the United Kingdom.

Interpretation

2.—(1) In this Order—

“the principal Order” means the Ports (Northern Ireland) Order 1994(3);

“the tax provisions relating to company distributions” means the provisions of the Corporation Tax Acts, excluding any of those provisions relating to corporation tax on chargeable gains.

(1) 1973 c. 36; section 38 was amended by paragraph 6 of Schedule 2 to the Northern Ireland Act 1982 (c. 38).

(2) 1974 c. 28.

(3) S.I.1994/2809 (N.I.16).

(2) Expressions used in this Order and in the principal Order have the same meaning in this Order as they have in that Order.

Corporation tax and taxation of company distributions

3.—(1) Where property, rights, liabilities and functions of a relevant port authority are transferred under Article 4 of the principal Order to a company formed in pursuance of Article 3 of that Order to be the authority's successor company for the purposes of that Order, the company shall be treated for all purposes of corporation tax as if it were the same person as the authority.

(2) Where following the transfer to a company under Article 4 of the principal Order of property, rights, liabilities and functions of a relevant port authority securities of the company are issued or allotted to the authority in pursuance of Article 5 of that Order, the authority shall be treated for the purposes of corporation tax on chargeable gains as if the securities had been issued or allotted to the authority in consideration of the transfer.

(3) Where apart from this paragraph an allowable loss (within the meaning of the 1992 Act) would accrue to a former relevant port authority on a disposal on which levy under Article 15(1) of the principal Order is chargeable, the authority shall be treated for the purposes of corporation tax on chargeable gains as if the disposal had been made for a consideration of such amount as would secure that neither a gain nor a loss would accrue to the authority.

(4) Any share issued by a company in pursuance of Article 5 of the principal Order shall be treated for the purposes of the tax provisions relating to company distributions as if it had been issued wholly in consideration of a subscription paid to that company of an amount equal to the nominal value of the share.

(5) Any debenture issued by a company in pursuance of Article 5 of the principal Order shall be treated for the purposes of the tax provisions relating to company distributions as if it had been issued—

- (a) wholly in consideration of a loan made to that company of an amount equal to the principal sum payable under the debenture; and
- (b) wholly and exclusively for the purposes of the trade carried on by that company.

N. H. Nicholls
Clerk of the Privy Council

Status: *This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

EXPLANATORY NOTE

(This note is not part of the Order)

This Order contains provisions relating to corporation tax and taxation of company distributions in connection with transfers under Article 4 of the Ports (Northern Ireland) Order 1994 and the issue of shares and debentures under Article 5 of that Order.